

THE WHITE HOUSE  
Office of the Press Secretary

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PRESS BRIEFING  
BY  
JIM BRADY

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The Briefing Room

1:40 P.M. EST

MR. BRADY: Well, I think that Mrs. Thatcher and the President covered pretty much the same talking points that I would have in characterizing what was covered at the meeting. As you know, the first meeting in the Oval Office was a one-on-one that lasted about 30 minutes at which time the two were joined by Lord Carrington and Secretary Haig for another meeting that ran for about 45 minutes.

Then the group moved into the Cabinet Office for an expanded meeting that lasted probably another 45 minutes and then returned to the Oval Office and the exit that you saw on the South Lawn. And as I say, I think that the talking points that the President went through accurately reflected what was covered at the meeting. Obviously East-West was covered, Central and South America, Middle East, Europe --

Q What did she mean when she said, "We'll be going to many summits this year"?

MR. BRADY: I think she was referencing the fact that there are upcoming summits. I think speaking of Ottawa, speaking of a potential summit in Mexico, and others not yet --

Q What is that?

Q With Margaret Thatcher in Mexico?

MR. BRADY: I think those were the two that she referenced.

Q I don't know about that.

Q She said, "summits together," didn't she? She said summits that we'll be going to together?

MR. BRADY: It was her view that this would be a year for some summits, and that the United States and Britain with a sameness of purpose, whenever they were together at any of these, would be aid and comfort to one another.

Q Are you saying that Mrs. Thatcher was talking about something other than the Economic Summit of the Western industrialized nations in Ottawa that I suppose they'll both be at -- that they're both going to attend?

MR. BRADY: Well, we're not making an announcement from here today that we're attending Ottawa because we didn't make that in the meeting. She said that she would be going to Ottawa, and that was the primary reference.

Q What's your point about Mexico?

Go back to that.

MR. BRADY: I had no point about Mexico. You asked me what were some summits that were potential places where -- that they would be together, and I mentioned Ottawa and possibly a summit in Mexico.

Q Jim, that's new.

Q Mexico, when and on what?

Q Jim, you've committed news, as you said yesterday.

Q Tell us about Mexico.

Q Give us the figure.

MR. BRADY: That's it.

Q When and on what subject?

MR. BRADY: I don't think there's a date and there aren't subjects.

Q Who else would be likely to go besides Thatcher, Mexico and the United States?

Q Presumably the President of Mexico.

MR. BRADY: Let me go back to your initial question because I really can't flush this out anymore. One was Ottawa and the other was a potential meeting in Mexico.

Q On Latin America or --

MR. BRADY: Helen.

Q Isn't it the North-South Dialogue Conference that the Mexicans have been organizing for the past couple of years?

MR. BRADY: That is a possibility, yes.

Q On another subject, within the framework of the Thatcher talks, did either Mrs. Thatcher or Lord Carrington discuss or present their view of the role that the PLO should play in future Middle East negotiations?

MR. BRADY: Not -- I attended only the expanded meeting and it was not discussed in the expanded meeting.

Q Can you say that the U.S. and Great Britain share comparable views on what that role should be?

MR. BRADY: I can't, no.

Q Can I suggest that you're getting into a similar situation to yesterday when you wouldn't give us a range? By not giving us a little more on this Mexico, you're going to have every reporter in this room on the phone for the rest of day trying to find out what you're talking about. So can't you just give us a little more help to calm us down on this?

Q We want to go to lunch.

Q That's right. We want to go to lunch.

MR. BRADY: Yes.

Q Mexico, United States -- Is it the North-South Conference?

MR. BRADY: It's a potential one, Lesley, but --

Q What month is that being held?

MR. BRADY: I don't know, Sam.

Q Is there another potential Mexico summit other than the North-South?

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MR. BRADY: You put grenades on this.

Q Are they coming to the consulate?

MR. BRADY: Not that I know of.

Q Do you gather that Mrs. Thatcher supports the President holding a summit conference with Brezhnev?

MR. BRADY: I think that there's a commonality of views that one should look at that very carefully and she pointed out that they too were in the process of studying the speech for what it might contain. But I think that it was something that should be studied but entered into with all due attention.

Q What was the discussion, if any, of the troubles in Northern Ireland as it's effected by American contributions, American-Irish contributions?

MR. BRADY: The Irish issue, unless it was raised in the one-on-one or the meeting with the Foreign Minister and the Secretary of State, it was not raised in the expanded meeting.

Q Mrs. Thatcher said last week that one of the things she would be seeking is an improvement in the machinery of joint consultations. Were any agreements reached today on how those procedures might be upgraded?

MR. BRADY: Certainly not mechanically. At the expense of being redundant, the lines "no surprise" and "full and close consultation" was one of the set pieces of the dialogue.

Q Was El Salvador talked about?

MR. BRADY: Yes, it was.

Q To what degree?

MR. BRADY: I'm not going to characterize what was talked about in El Salvador.

Q Why not?

Q Were their views compatible or were they divergent?

MR. BRADY: No, I think they were compatible.

Q Was this a question of the President explaining to her what he's doing and what he thinks?

MR. BRADY: No, it was a joint dialogue.

Q Jim, did he, in this discussion of El Salvador, explain to the Prime Minister what Ambassador White meant by his claim that he was dismissed as an act of vengeance?

MR. BRADY: No.

Q Does the President --

MR. BRADY: Surprisingly, that didn't come up at all.

Q What is the President's view on Ambassador White's claim? Because I understood the Reagan administration doesn't believe in revenge, and here's a foreign service officer still on your payroll who claims that he's a victim of vengeance. What does the President feel about that, Jim?

MR. BRADY: I don't think the President has a feeling on Mr. White one way or the other. That's certainly Mr. White's personal view that he's expressing.

Q But is there any truth in his claim that he was a victim of Reagan vengeance?

MR. BRADY: No.

Q There's no truth. Well, shouldn't foreign service officer tell the truth or should they --

MR. BRADY: They should tell the truth.

Q And if they don't tell the truth shouldn't they be terminated? (Laughter) I mean not just that he says there is truth in it. He testified there is a truth and now -- (Laughter)

MR. BRADY: I think the Secretary of State will do whatever's appropriate with Mr. White.

Q As long as we're on El Salvador, can I ask a question?

Q Are you saying he's going to be removed from the foreign service as a career diplomat?

MR. BRADY: No, I didn't say that at all.

Q In your plans which are under consideration which might include American arms or weapons shipped to El Salvador to bolster the existing government there, does President Reagan have any plans for demanding that in return for this American assistance, either advisers or arms, that he would demand some sort of social reform in that country?

MR. BRADY: He has made no decisions nor any statements on that.

Q Is the NSC meeting that was cancelled yesterday back on the schedule today?

MR. BRADY: No.

Q Tomorrow then?

MR. BRADY: I will find out when it is.

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Q So, no decisions will be made today?

MR. BRADY: That's correct.

Q Did they not discuss economics at all?

MR. BRADY: They discussed in great detail the world recession. They discussed dependence on Middle East oil and that how difficult it is to combat economies at home that are in trouble when we're in the midst of a world depression.

Q Did she give him any advice?

Q The depression or world depression?

MR. BRADY: She did not give him any advice.

Q Depression or recession?

MR. BRADY: Let me -- I'll tell you. Just a minute and I'll tell you which one it is. I think I said -- should have been world recession, I believe. World recession.

Q In confirming the NATO Resolution of December is -- the President specifically mentioned the two parts of that decision, one being the modernization of nuclear forces; the second part, being the arms control dialogue with the Soviet Union. Did they in any get more specific on that latter subject?

MR. BRADY: They did not in the expanded meeting, but they may have in the one-on-one or the meeting with the Foreign Ministers.

Q Was there any talk about the neutron bomb?

MR. BRADY: There was no talk about the neutron bomb.

Q Jim, is the President going to go to Prince Charles' wedding? Any invitation or any idea at this end to go?

MR. BRADY: I have nothing on that now. It did not come up in the meeting.

Q But separate from the meeting, is there any interest on the part of the President or Mrs. Reagan to go?

MR. BRADY: I don't know that they've even been invited, Leo.

Q Jim, elsewhere in the field of travel, I was wondering in the need to cut the budget by what was termed yesterday "several billion more" --

MR. BRADY: Later learned to be a range of --

Q 3.7.

MR. BRADY: Yes.

Q What my question is; Will the President spend the millions of dollars recommended by the Washington Post to take trips to California if its an insignificant sum or does he feel he ought to sacrifice along with the rest of the people?

MR. BRADY: I don't think he'll spend the millions.

Q Well, it's a quarter of a million dollars they estimate each week-end. In other words, we may presume that the President will

definitely cut down on these week-ends, rather than follow the Washington Post's advice?

MR. BRADY: He will.

Q He will. Thank you.

Q Jim, did they talk about Mrs. Thatcher's Urban Enterprise Zone Program compared to what the Reagan people are going to do with theirs?

MR. BRADY: They did not, Marie.

Q -- on the failures --

MR. BRADY: No.

Q Nothing?

Q What do you mean --

Q On the Northern Ireland, you said it was nothing. Was there any question --

MR. BRADY: There was nothing in the expanded meeting. Now, it may have come up in the one-on-one or the meeting when the Secretary of State and the Foreign Minister was there.

Q I was just wondering -- arms embargo --

MR. BRADY: Was there what?

Q Arms embargo -- the sale of arms to the Ulster constabulary have been embargoed for over a year.

MR. BRADY: That was not in the expanded meeting.

Q Was the possible summit the major topic in this expanded meeting?

MR. BRADY: I'd say probably -- actually, no. It was discussed, but I wouldn't say that it was the major topic.

Q But was the Ottawa --

Q What was the major topic?

MR. BRADY: I don't think you could say one was major. They discussed East-West, they discussed South and Central America, Europe and the Middle East.

Q The Prime Minister referred to discussion of the expansion theatre nuclear forces. What specifically was she talking about? Did you hear that part of the discussion?

MR. BRADY: Yes, but I'd ask you to get whatever you could on that from State because I wasn't in that part of the meeting and as to the technical part of that --

Q The President was the one that said that.

MR. BRADY: Well, he talked about the subject, but there wasn't an announce-- there isn't an announcement here on TNF.

Q He's carrying out the Carter administrations' decision on TNF, wasn't it?

MR. BRADY: Well, I'm not going to characterize what it was.

Probably for a very good reason. I don't know.

Q Jim, just how did this Northern Ireland business come up? Did Reagan make a suggestion or ask her about it?

MR. BRADY: No -- It did not in the expanded meeting or in -- it did not come up in the expanded meeting.

Q So, it didn't come up at all?

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MR. BRADY: To my knowledge, it didn't. But it could have come up in the one-on-one or the meeting with the foreign ministers.

Q Jim, Marty Schram's piece in the Post this morning about the division of power on the foreign policy side, was his piece accurate as you read it?

MR. BRADY: I think it was substantially accurate, yes.

Q Can you tell us -- explain to us if you can, the relationship between Dick Allen and Ed Meese?

Q Father and son. (Laughter)

MR. BRADY: Close friends and colleagues.

Q How does that work between them? Is Meese his boss? Does he report to Meese and Meese to the President? How does it work?

MR. BRADY: The National Security Council, which consists of the President, the Vice-President, the Secretary of State, Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the statutory members, the Director of Central Intelligence and the Chairman of the Joint Chiefs, Chief of Staff Baker and Counselor to the President make up the National Security Council.

The National Security Council staff is chaired by the Assistant to the President for National Security Affairs and that's Dick.

Q Who does he report to?

MR. BRADY: Dick would report to the Counselor to the President.

Q So, he reports to Meese?

MR. BRADY: Yes.

Q When did President Reagan come in on this negotiation where --

MR. BRADY: On what, Diane?

Q When did President Reagan come in on this discussion on the NSC?

MR. BRADY: Uh.

Q Trasby said he never did.

Q What was the question?

MR. BRADY: When did President Reagan come in on the negotiations?

Q What negotiations?

Q On the NSC.

MR. BRADY: On the NSC. The much heralded Haig document that supposedly was given to the President on Inaugural Day in morning suit which in fact was not was a document that, lo, back then went to the National Security Council, became a joint product of the National Security Council staff and the Secretary of State. That was paper number one.

Paper number two became a joint product of the Secretary of Defense and the Secretary of State with NSC staff input. Iteration three had a refinement of those positions and the addition of CIA Director Casey and some others. Iteration four was the compilation of all of the prior drafts.

Q Iteration?

MR. BRADY: Iteration. And then all four of those were put together that formed the basis for the meeting yesterday, the document that was discussed.

Q Who put together that paper four?

MR. BRADY: That was put together through Meese's office.

Q And Allen.

MR. BRADY: As the staff --

Q Paper one originated --

Q When did the President come in on it?

MR. BRADY: Paper one originated from State through the proper channels which would be National Security Council and then the product, the number one was really NSC staff and Secretary of State Haig.

Q So, Haig gave it to the President?

MR. BRADY: Pardon me. These were memos to the President.

Q Yes, so, well, the question was --

MR. BRADY: Well, Diane said, "When did they get involved?" And the first memo, I went back was --

Q The question was when did Reagan --

Q You said he never received the first -- you said it was inaccurate to say it had been given to him on the --

MR. BRADY: Yes, it was because it hadn't been.

Q But it was eventually given to him?

MR. BRADY: It was eventually given to Meese as the first document.

Q Well, the question is Mr. Schram's story which had a -- who else wrote it with you, Marty -- said that in the final meeting the President was not involved, that he was not physically present.

MR. BRADY: The President was not physically present, but --

Q Did he approve this? Did he say, "Do it this way"? Or did Ed Meese say, "We'll do it this way"?

MR. BRADY: He was aware of the options for setting up the arrangement and he concurred with the final result.

Q After it had been taken?

MR. BRADY: No, before it had been taken.

Q What? Before yesterday's meeting?

MR. BRADY: He signed off on the options and concurred with the final result. This was done by a consensus decision.

Q So he wasn't aware of it, he just said to Meese "Go ahead and come up with a consensus after the meeting"?

MR. BRADY: No, he didn't say that. He was presented with the various options. He was presented with a compilation of the drafts, the set-piece paper, that was the basis for the meeting.

Q Are we to understand from that that the President would have been satisfied if any of the four options had been settled upon? In other words, had he told Meese and company, "Go ahead. Whatever you do is fine with me"?

MR. BRADY: The President makes the final decision on this.

Q But you said, "He signed off on the options." What does that mean?

Q "Signed off on the options," meaning that he might have been happy with any of them.

MR. BRADY: No, no, no, I don't mean to say that at all.

Q Then why "options," plural?

MR. BRADY: It would be a recommendation if it wasn't options, if he looked at options and said, "This looks like the one that I prefer," and then would sign off with various guidance to Meese.

Q Did they proceed on developing this based on instructions or feelings that were voiced by the President, as was described as the procedure with economic package?

MR. BRADY: Of course.

Q Oh, okay.

MR. BRADY: Well, see he meets with Meese, Baker and Deaver every morning. It's the first thing that happens. He meets with them again at the end of each day, and it is at those meetings that this type of thing comes up. This was a major meeting where a major apparatus of his presidency was decided, and you know, he's the person that makes the final decision.

Q Jim, Jim Baker said at the breakfast this morning that the very beauty of this whole operation was that the President didn't have to get involved, that it would be -- was able to be worked out below him without his attention being necessary. Now, are you contradicting that?

MR. BRADY: I'm contradicting it in the sense, Lloyd, that it's something that in fact was worked out in a meeting in Ed Meese's office without the President having to be there and having to referee, but not in the sense of not having input on this, having given guidance in his morning meetings with Baker, Meese, Deaver at all, that this would be something that would be discussed.

Q Was there a struggle?

Q Doesn't the President have more than input into the decision made by his staff?

Q Was there a struggle in view of your saying "referee"?

MR. BRADY: The President makes the decision. The staff does not make the decision.

Q You just said, "A major meeting where a major apparatus of his presidency was decided," and he wasn't there.

Q Deniability. (Laughter.)

Q It's either one way or the other. I mean, it was either decided at the meeting in the absence of the President, or the President made the decision at some other point, either before or after the meeting.

MR. BRADY: Cannot the President give guidance to his people and say that this appears to be way to go?

Q But did he give the same guidance to all of the people, and if so, why was a meeting necessary?

MR. BRADY: First of all, it was a consensus decision.

Q The President had one voice in that consensus?

Q Was the President one of the consentees or is he the President? I don't understand, Jim. I'm really a little confused. I mean, is he a mere invisible participant in a meeting to make a major decision on a major aspect of his presidency, giving guidance beforehand, or is the decision not made at the meeting as you said it was?

Q He was with them in spirit is what you mean.

MR. BRADY: He was with them in spirit, Lester.

Q Did he send Meese into the meeting with instructions as to what his sentiments were?

MR. BRADY: Well, I don't think it was solely with Meese.

Q Or others.

MR. BRADY: Yes.

Q Jim, could I --

MR. BRADY: It was called guidance.

Q Well, why is a meeting necessary then?

Q Did he give guidance to the CIA Director and Meese, Secretary of State and the Secretary of Defense?

MR. BRADY: I'm sorry.

Q Give guidance to all those individuals?

MR. BRADY: No, I don't think he has to. It was a consensus decision.

Q So, he did not sign off on it. The decision was made before he knew about it.

MR. BRADY: The decision was made consistent with his views and his guidelines. And you're saying, "Was he physically in the room," and I don't think he has to be.

Q You're saying he exercised a veto power over the final decision?

MR. BRADY: Pardon me.

Q He exercised a veto power?

MR. BRADY: He exercises veto power over any final decision and this will be implemented with a final order by the President which is not -- obviously we'd have it out here today. We're commenting on a story prior to the drafting of a memorandum that the President would sign off on. The question was, "Is the story accurate?" And I said, "It is substantially accurate".

Q Was it a leak?

MR. BRADY: Pardon?

Q Was the story a leak?

MR. BRADY: It was a tidal wave. (Laughter)

Q Are you making any effort to find out who leaked --

MR. BRADY: I didn't hear you.

Q Are you concerned about it? You say it's a tidal wave. Does that express concern, Jim?

MR. BRADY: You asked me to comment on the story and that's what I'm doing.

Q The President has not signed an order yet on this. Will there be documents signed by the President?

MR. BRADY: Yes.

Q To set up this apparatus?

MR. BRADY: There will be a staffing plan that will be formalized in a document that will be signed by the President.

Q Do you know when that will be done?

MR. BRADY: No.

Q This week?

MR. BRADY: I would imagine either this week or the first part of next week.

Q Can we go back to the economic summit for a moment? How much was the Ottawa summit discussed and how vague -- is there some point --

MR. BRADY: No, not at all. It was discussed very little.

Q Jim, did the President discuss with the Prime Minister her efforts of bringing peace to Zimbabwe? Did he congratulate her on that or not?

MR. BRADY: Not to my knowledge, Lester.

Q They didn't discuss Zimbabwe?

MR. BRADY: Not to my knowledge.

Q Was there any decision made today on budget cuts to conform with the --

MR. BRADY: Not decisions. We continue to get the material in which is due in by Friday on the budget cut.

Q Did the President discuss with Mrs. Thatcher --

MR. BRADY: From the agencies.

Q -- the failure of her economic program to produce anything of note on the --

MR. BRADY: No.

Q On the Thatcher question, back to Thatcher, may I ask a question? In his welcoming remarks, the President said, "So the free world must do whatever is necessary to safeguard its own security". What does he expect the British to do in addition to what

they're presently doing now?

MR. BRADY: I don't have anything specific on that.

Q Was there any discussion of an increased contribution to NATO?

MR. BRADY: Not in the expanded meeting.

Q Jim, to get back to the Thatcher and British economy question, on the South Lawn, both of them declared themselves free enterprise apostles against -- they pursue basically the same policies. How does the President, though, expect to avoid the very kind of economic mess she's created over there if he's going to follow the same policy?

MR. BRADY: Well, I don't think the situations are parallel.

Q In what way? Why can we expect a different scenario here with the same policies being followed by Reagan?

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MR. BRADY:

Because while the tax rates were lowered at the top, the value-added tax -- the sales tax was doubled.

Q That's a consumers' tax. That doesn't have any investment or savings and --

MR. BRADY: It's an increase to the tax burden. You can't lower one taxes with one hand and double another tax with the other hand.

Q Well, you don't want people to spend the money on consumer goods anyway. You want them to save the money, so a consumers' tax is not really against what you would think --

MR. BRADY: Well, it's very -- the question revolves --

Q What are the differences, Jim? I'm still trying to get -- is that --

MR. BRADY: You have a country in which the unions are extremely strong. You have a country which has a very, very large segment of it that's nationalized as opposed to here and I think you have the difference between reducing the entire tax burden as opposed to not taking with one hand and giving back with the other.

Q But you've got your own consumer tax in your own budget to the extent of \$4 billion in the next two or three years with your user fees. Those are consumer taxes, so it may not be as sharp as doubling DAT, but you're going in that direction right now.

MR. BRADY: I think the key -- what you said was it's not something with the effect of doubling the value-added tax.

Q So, you fully foresee the United States --

MR. BRADY: One of the things we have prepared, which I'll be happy to give you, is a staff paper that compares the economy in Britain with our economy and the approach, if that would be helpful.

Q Have you got that?

MR. BRADY: Yes. I can get that.

Q Does the President approve of Chairman Volcker's -- the decision by the Fed to restrict the growth of the money supply as Volcker testified yesterday?

MR. BRADY: Certainly not expanding the growth of the money supply. One of the problems that happened in Britain was the Bank of England monetized them to debt and that had a profound effect on their economy.

Q So, the President approves of what Volcker said the Fed was going to do?

MR. BRADY: He certainly approves of that direction.

Q Is today's Cabinet meeting going to zero in on the new cuts that have to be made in the economy?

MR. BRADY: They're -- at today's Cabinet meeting, the President's economic recovery plan will be updated and studied.

Q Thank you.

Q How about a press conference, Jim. When is the President going to have a press conference?

MR. BRADY: Excuse me. I forgot to make an announcement here. Mr. Cleland's resignation has been accepted and the acting administrator of VA is Rufus H. Wilson. He is currently the Deputy Administrator of VA. Has been there for many years. And we're handing out a hand-out on this.

Q And will you have--appoint the new VA administrator?

MR. BRADY: Yes, we will.

Q He's just acting as --

MR. BRADY: He's just acting now.

END

2:12 P.M. EST